

Amendment No. 1 to SB1248

Watson

Signature of Sponsor

AMEND Senate Bill No. 1248

House Bill No. 1195*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Communication" means written or electronic correspondence among a health facility, health insurance entity, or provider concerning a prior authorization;

(2) "Health facility":

(A) Means an institution, place, or building providing healthcare services that is required to be licensed under title 68, chapter 11; and

(B) Excludes emergency room and in-patient services at a hospital, as defined in § 68-11-201;

(3) "Health insurance coverage" has the same meaning as defined in § 56-7-109;

(4) "Health insurance entity" means an entity subject to the insurance laws of this state, or subject to the jurisdiction of the commissioner, that contracts or offers to contract to provide health insurance coverage, including, but not limited to, an insurance company, a health maintenance organization, and a nonprofit hospital and medical service corporation;

(5) "Healthcare service" means a service for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease;

(6) "Minor" means an individual who has not attained eighteen (18) years of age;

(7) "Patient" means an individual who has health insurance coverage and is being treated by a provider for a healthcare service;

(8) "Policyholder" means an individual who has contracted with a health insurance entity for healthcare services coverage; and

(9) "Provider" means an individual or entity performing services regulated pursuant to title 63 or title 68, chapter 11, with whom the health insurance entity has an express and valid network provider agreement or contract.

(b) Except as provided in subsection (d), a health insurance entity shall notify a patient of communication between the health insurance entity and a provider or health facility concerning additional information needed to process a prior authorization request for the patient within two (2) business days after the communication has occurred. The notification must include a brief summary of the communication or a copy of the communication.

(c) The health insurance entity shall notify the patient via electronic means, such as by email or through an online patient portal offered by the health insurance entity, unless the patient requests, in writing, an alternative notification method.

(d) If the patient is a minor, then the health insurance entity must notify the policyholder whose health insurance coverage covers the minor.

(e) This section does not apply to the TennCare program or a successor to the program provided for in the Medical Assistance Act of 1968, compiled in title 71, chapter 5.

SECTION 2. Tennessee Code Annotated, Title 63, Chapter 1, Part 1, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Communication" means written or electronic correspondence among a health facility, health insurance entity, or provider concerning a prior authorization;

(2) "Health facility":

(A) Means an institution, place, or building providing healthcare services that is required to be licensed under title 68, chapter 11; and

(B) Excludes emergency room and in-patient services provided at a hospital, as defined in § 68-11-201;

(3) "Health insurance coverage" has the same meaning as defined in § 56-7-109;

(4) "Health insurance entity" means an entity subject to the insurance laws of this state, or subject to the jurisdiction of the commissioner of commerce and insurance, that contracts or offers to contract to provide health insurance coverage, including, but not limited to, an insurance company, a health maintenance organization, and a nonprofit hospital and medical service corporation;

(5) "Healthcare service" means a service for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease;

(6) "Minor" means an individual who has not attained eighteen (18) years of age;

(7) "Patient" means an individual who has health insurance coverage and is being treated by a provider for a healthcare service;

(8) "Policyholder" means an individual who has contracted with a health insurance entity for healthcare services coverage; and

(9) "Provider" means an individual or entity performing services regulated pursuant to this title or title 68, chapter 11, with whom the health insurance entity has an express and valid network provider agreement or contract.

(b) Except as provided in subsection (d), a provider shall notify a patient of communication between the provider and a health insurance entity or health facility concerning additional information needed to process a prior authorization request for the patient within two (2) business days after the communication has occurred. The notification must include a brief summary of the communication or a copy of the communication.

(c) The provider shall notify the patient via electronic means, such as by email or through an online patient portal offered by the provider, unless the patient requests, in writing, an alternative notification method.

(d) If the patient is a minor, then the provider must notify the policyholder whose health insurance coverage covers the minor.

(e) This section does not apply to the TennCare program or a successor to the program provided for in the Medical Assistance Act of 1968, compiled in title 71, chapter 5.

SECTION 3. Tennessee Code Annotated, Title 68, Chapter 11, Part 2, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Communication" means written or electronic correspondence among a health facility, health insurance entity, or provider concerning a prior authorization;

(2) "Health facility":

(A) Means an institution, place, or building providing healthcare services that is required to be licensed under this chapter; and

(B) Excludes emergency room and in-patient services provided at a hospital as defined in § 68-11-201;

(3) "Health insurance coverage" has the same meaning as defined in § 56-7-109;

(4) "Health insurance entity" means an entity subject to the insurance laws of this state, or subject to the jurisdiction of the commissioner, that contracts or offers to contract to provide health insurance coverage, including, but not limited to, an insurance company, a health maintenance organization, and a nonprofit hospital and medical service corporation;

(5) "Healthcare service" means a service for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease;

(6) "Minor" means an individual who has not attained eighteen (18) years of age;

(7) "Patient" means an individual who has health insurance coverage and is being treated by a provider for a healthcare service;

(8) "Policyholder" means an individual who has contracted with a health insurance entity for healthcare services coverage; and

(9) "Provider" means an individual or entity performing services regulated pursuant to title 63 or this chapter, with whom the health insurance entity has an express and valid network provider agreement or contract.

(b) Except as provided in subsection (d), a health facility shall notify a patient of communication between the health facility and a health insurance entity or provider concerning additional information needed to process a prior authorization request for the patient within two (2) business days after the communication has occurred. The

notification must include a brief summary of the communication or a copy of the communication.

(c) The health facility shall notify the patient via electronic means, such as by email or through an online patient portal offered by the health facility, unless the patient requests, in writing, an alternative notification method.

(d) If the patient is a minor, then the health facility must notify the policyholder whose health insurance coverage covers the minor.

(e) This section does not apply to the TennCare program or a successor to the program provided for in the Medical Assistance Act of 1968, compiled in title 71, chapter 5.

SECTION 4. The commissioner of commerce and insurance and the commissioner of health are authorized to promulgate rules to effectuate the purposes of this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 5. For the purpose of rule promulgation, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect January 1, 2022, the public welfare requiring it, and applies to communications made pursuant to insurance policies entered into, issued, renewed, or amended on or after that date.